

2012 MONTANA COAL TAXES

1. The SEVERANCE TAX: \$52,743,000. This tax is assessed at 15% F.O.B. mine price of coal for surface mines and 4% for underground mines.

2. GROSS PROCEEDS TAX: \$19,826,095. These are additional taxes paid to the county in which the mine is located. (Big Horn, Richland, Musselshell and Rosebud) APPROXIMATELY 3% F.O.B. mine price.

3. RESOURCE INDEMNITY TRUST(RIT) TAX: \$1,914,721. All nonrenewable resource production is assessed .4% of gross value.

4. FEDERAL TAXES:

-ABANDONED MINES TAX: \$11,549,790

This tax is assessed to pay for clean up of abandoned historical coal mines.

All of Montana's were reclaimed years ago, but the tax continues.

-BLACK LUNG TAX: \$20,163,000. Each

ton of Montana coal is assessed \$.55,
even though BLACK LUNG is a disease
associated only with historical under-
ground coal mining, primarily back east.

5. PROPERTY TAXES: \$4,346,169. These
taxes are assessed on the physical
property and improvements at the mines,
paid to the county where located.

BIG HORN CTY-	\$1,864,160
MUSSELSHELL CTY-	\$1,709,092
RICHLAND CTY-	\$36,946
ROSEBUD CTY-	\$735,971

6. BUSINESS EQUIP. TAX: \$1,968,421(est.)
This is an annual tax of 3% of the valuation
of all equipment associated with the
operation(minus depreciation).

7.PERSONAL INCOME TAX: \$5,200,000.
This results from 1,199 mining employees
with an average salary of \$83,715.

TOTAL TAXES: \$117,711,198